

TRANSFORMATION AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Tuesday, 3rd December, 2013

Present:-	Councillor Mrs Elizabeth Shenton – in the Chair
Councillors	Mrs Burgess, Fear, Hambleton, Mrs Hambleton, Howells, Jones, Taylor.J and Waring
	Cllr Snell and Cllr Turner as Portfolio Holders were also in attendance
Officers	Kelvin Turner (The executive Director for Resources and Support Services)
	Phil Jones (Head of Communications)
	Julian Lythgoe (Facilities Manager)
	Martin Stevens (Democratic Services Officer)

1. **APOLOGIES**

Apologies for absence was received from Cllr Becket and Cllr Bannister

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

3. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 6 November 2013 were confirmed as a correct record.

4. **ASSET MANAGEMENT STRATEGY**

The Chair stated that the Asset Management Strategy would be dealt with in public session but if confidential information came up during the debate the Committee would have to resolve to go into private session.

The Facilities Manager summarised the report on the Asset Management Strategy. The main purpose of the report was to inform Members, on the Council's approach to the strategy. He thought there would be benefit in the Committee looking at the financial and resource implications. The Economic Development and Enterprise Overview and Scrutiny Committee would also be considering the strategy at its meeting on the 17 December. The final version of the draft strategy would be considered by Cabinet along with the Capital Strategy on the 15 January 2014.

The strategy would frame the Council's Asset Management approach for the next three financial years. It aimed to provide a robust and formal approach to the management and use of the Council's land and property assets. A key area of the strategy related to the maintenance and repair of the significant operational land and

buildings. An indicative costed and planned schedule had been prepared to cover a five year period.

A stock condition survey had been carried out in 2013 and moving forward the repairs identified had been categorised as Red, Amber and Green. Red meant urgent repairs required to meet Health and Safety obligations or similar imperative. Amber meant it could be kept in abeyance for a time but would result in deterioration of the asset. Green meant repairs which could be put in a planned maintenance programme spread over a number of years. The predicted maintenance costs as a consequence of the stock condition for 2014/15 was £193,000, for 2015/16, £1,795,400 and for 2016/17, £2,315,650.

One of the overall aims of the strategy was to identify assets for disposal. There were a number of surplus sites which had potential for residential development. In 2014/15 the sale of the sites would generate income of circa £700,000 and in 2015/17 circa £7.4m.

The Portfolio Holder stated that the management of assets was a complicated process which affected the way the Borough Council went forward. The decision process was not a simple one. Every building which the Council owned, the Council had to ask if it was an asset or liability. Each asset had to be treated in a similar manner to dealing with a commercial business. The repairs and maintenance work being undertaken were being dealt with only if they were urgent. It was in essence a serious situation. With some buildings the Council had adopted the concept of letting a building for free but with the requirement that any maintenance and repair works be undertaken by the people renting the property.

A Member asked which assets the Council were considering disposing of and their individual expected values. The Chair advised that the Committee would need to go into exempt session if this information was to be discussed.

RESOLVED: That the public be excluded from the meeting during consideration of the Asset Management Strategy because it is likely that there will be a disclosure of exempt information as defined in paragraph 3 in part 1 of Schedule 12A of the Local Government Act 1972.

5. THE BUDGET CONSULTATION PROCESS

The Head of Communications stated that it was the second consecutive year that the Borough Council had carried out a major budget consultation process. The questionnaires asked residents six questions. Officers had gone through the responses and tried to develop overall themes to the response.

A Member stated that there had only been 270 responses to the consultation, which he felt was not statistically a significant number.

A Member stated that he did not regret the fact that the Council had carried out the consultation believing that the public deserved to be consulted, despite the disappointing response rate. In reply the Head of Communications stated that if the responses from last year were included information would have been received from over 900 residents.

Cllr Snell stated that Cllr Stubbs had attended some public meetings where some really useful comments had been raised and inputted into the budget process. The

question had to be asked as to how the public could be motivated to be part of the process. Next year he would be looking at additional ways of engaging the public. It was important to engage the public but he agreed there had to be some rationalisation.

A Member stated that the public to some degree were apathetic and felt that they had given Councillors responsibility to set budgets. He believed Cabinet should be asked to discontinue the process as they were not gathering enough data for it to be justified.

In response to a question from Cllr Howells, Cllr Snell stated that he had apologised to the Clerk of Loggerheads Parish Council for not attending a meeting due to unforeseen circumstances. There were meetings scheduled in the diary across the Borough and he was happy to meet people up until the date of full Council when the budget would be agreed.

Cllr Snell stated that he was exploring innovative ways to communicate with the public on the budget setting process. Liverpool Council had invested in an App. The Head of Communications added that the cost was expensive and would be in the region of £10,000.

Members asked for an estimate of the total staffing cost to run the consultation exercise. It was agreed that this could be calculated on the average hourly rate for a member of staff at the Council.

6. TREASURY MANAGEMENT STRATEGY

The Executive Director for Resources and Support Services stated that the Treasury Management Strategy would be received by Full Council at the end of February. It was a technical document in nature to comply with CIPFA.

There was unlikely to be an increase in interest rates. He was pleased to report that the Council was debt free but it still had to have a mechanism to borrow money in the event of the need to borrow in the future.

RECOMMENDED: That the Committee approve the strategy for submission to the Full Council on 26 February 2014.

7. FIRST DRAFT SAVINGS PLANS 2014/2015

The Executive Director for Resources and Support Services stated that the revised budget gap stood at £2.049 million. The savings plan would be discussed at the Scrutiny Café on the 14 January and again at the main meeting on the 22 January. The Budget Review Group and Officers had been identifying and considering ways of eliminating the gap. As a result of the work, a number of savings and funding strategies had been identified and agreed with managers as being feasible and sustainable. A considerable amount of work had taken place in the service review sessions over the last 12-18 months. There were no reductions in staff or severe service reductions as a consequence of the saving plans.

Built into the calculations was a predicted 15 and a half per cent reduction in Central Government funding. This figure would be clarified in the near future following an announcement by the Government. Cllr Snell stated that whilst an expected 15 and half per cent reduction was expected, some organisations would be receiving this money instead of the Council. It was hoped that some of these organisations like the LEP might passport the money back to the Council, for the Council to distribute on their behalf.

The Chair asked Members if they wanted any further information in advance of the scrutiny meetings planned for January. A Member requested further information on the planned procurement savings, the vacant posts and the overtime review. A Member asked for further information on income generation, citing the potential saving in enabling the website to handle transactions.

Cllr Snell referred to the pilot currently taking place in digitalising Members Services. There were potential savings to be made but as it was only a pilot, these savings had not been factored into the calculations. For the next financial year procurement savings in the cleaning service nearing £30,000 had been identified. The savings identified in staffing costs were through vacant posts that had not been filled. He was looking at increasing income generation and using the communications team to trade their services to external organisations. There was also discussions with the County Council about the Borough Council carrying out certain works on their behalf and being paid a fee. The overtime review included looking at the working arrangements for the depot. Overtime pay was also subject to pensionable contribution at an enhanced rate adding further cost pressures.

8. PORTFOLIO HOLDER(S) QUESTION TIME

The Chair stated that Cllr Snell had circulated a written report regarding his Portfolio prior to the meeting.

Cllr Snell stated that he wished to add some further information to the written document which had been circulated regarding his Portfolio. He was responsible for Central Services which covered Legal and Democratic Services. The possibility of a shared services arrangement covering Legal Services with the County Council had been explored but ruled out due to there not being significant savings. The intention was for the Borough Council's Legal Department to always be slightly under resourced and then solicitors to be paid for from the County Council as and when required to take case work. This was a model which the County Council were also in agreement with.

Mark Bailey would be taking on the position of Head of Central Services permanently. Democratic Services were working hard implementing some of the recommendations from the Peer Review and through the Member Development Panel. Within Elections considerable work was taking place on individual electoral registration which was a legal requirement from 2015.

Cllr Howells had submitted the following question in advance of the meeting, 'Does Cllr Snell have the agreed minutes from SCC to show that they, not NULBC have been responsible for the delay in pulling down the Sainsburys building, as he alleged

at Full Council. I am informed it was understood at Full Council that he said he was going to publish them when responding in debate to Cllr Mark Holland.'

In response to the question, Cllr Snell stated that he was currently collating all the relevant information which included email correspondence as well as minutes, these would be published to Members in the near future.

A Member asked why the Council was using Windows 7 rather than Open Office. In response Cllr Snell stated that there were issues with compatibility with certain specialist software. He was however not against the idea but making it work in practice was more challenging.

Cllr David Becket had submitted the following question in advance of the meeting, 'Most of the LAPs in non parished areas are successful, but the success in the areas with Parish Councils is mixed. Where there is a Parish Council part of the work that LAPs might do is undertaken by the Parish Council. Many Parish Councils are suspicious of LAPs. The Parish Council is a democratically elected body, with true accountability. They view the LAP as an unaccountable body with no legitimate democratic mandate. Some Parish Councils do not attend LAP meetings, usually they have attended in the past and seen little value. Can the Borough Council take any steps to resolve this?'

Cllr Snell in response stated that it was true in some parishes that some Councils refused to engage. The Borough Council was looking at how LAPs were working overall. He promised to give a full written response to Cllr Becket's question.

A Member asked if the Council was going to consider further partnership work with other Councils. Cllr Snell responded that this was the case and there were a number of areas being considered.

A Member stated that the relationship with the Borough Council and Parish Councils on the matter of planning was important. It was important for the Borough Council to consider village plans and design statements when making decisions on planning matters. It was important for the credibility of the Council. Cllr Snell agreed that it was important for them to be taken into account and he would feedback the comment to the relevant portfolio holder.

9. **VERBAL REPORT FROM THE CHAIR OF THE CONSTITUTION REVIEW WORKING GROUP**

The Chair gave an update on the work of the Constitution Review Working Group. There had been two recent meetings. It was intended that in January the Scrutiny Committee would receive a report from the group with a number of recommendations. The Committee were looking at a number of areas which included, the following:-

- The future of the Co-ordinating Committee
- The name of the Transformation and Resources Committee
- The remit and composition of the Health Scrutiny Committee
- The remits of the other Scrutiny Committees

- The possible introduction of public question time at Scrutiny Committees and Cabinet
- Training for Scrutiny Chairs' and Vice Chairs'
- Cabinet Panels
- Pre-Cabinet Scrutiny and Policy Development
- The Grants Assessment Panel
- Presentations at Scrutiny

The Chair was pleased to report that there had been considerable officer support at the meetings which had been most welcome.

10. **WORK PLAN**

The Chair stated that the Scrutiny work plans now listed the remit of the respective Committees. She asked Members for their comments on the current remit of the Transformation and Resources Scrutiny Committee which could then be reported to the Constitution Review Working Group.

A Member suggested that funding and borrowing options should be added to the work plan. This had particular ramifications for the civic hub. Cllr Snell stated that the Ryecroft Development was an area which all Scrutiny Committees could consider. A Member recommended that the Transformation and Resources Scrutiny Committee should have an overarching responsibility on the Ryecroft Development.

11. **PART 2**

12. **EXCLUSION OF THE PUBLIC**

13. **ASSET MANAGEMENT STRATEGY**

The Committee considered the Asset Management Strategy.

14. **URGENT BUSINESS**

There was no urgent business within the meaning of Section 100B (4) of the Local Government Act 1972.

COUNCILLOR MRS ELIZABETH SHENTON
Chair